

Original
2007-386

EASTERN ROCKCASTLE WATER ASSOCIATION
P. O. BOX 540
MT. VERNON, KENTUCKY 40456
PHONE - 1-606-256-5480
FAX - 1-606-256-1748

Beverly O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 616
Frankfort, Kentucky 40601

RECEIVED
AUG 28 2007
PUBLIC SERVICE
COMMISSION

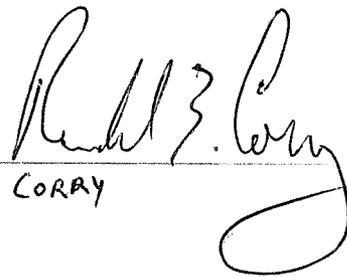
RE: Purchased Water Adjustment Filing

Dear Ms. O'Donnell:

Enclosed, please find a purchased water adjustment filing for the Eastern Rockcastle Water Association. This filing is pursuant to a rate increase from our wholesale provider Jackson County Water Association. Eastern Rockcastle Water Association will publish the enclosed notice (Exhibit D) no later than August 31, 2007.

Should you have questions or require additional information please feel free to contact me at 606-256-5480.

Sincerely,



Randy Coray
Manager

Exhibit A

PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)

Eastern Rockcastle Water Association
(Name of Utility)

August 27, 2007
(Date)

PO Box 540
(Address)

Mt. Vernon, KY 40456
(City, State)

606-256-5480
(Telephone Number)

- 1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>Jackson CO Water Association</u>	<u>\$2.18</u>	<u>\$ 2.66</u>
<u>Mt. Vernon Water Works</u>	<u>\$2.16</u>	<u>No Change</u>
<u>Livingston Water Works</u>	<u>\$2.55</u>	<u>No Change</u>

- 1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A.
2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From July 2006 through June 2007
(month and year) (month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
<u>Jackson County Water Association</u>	<u>12,789,000</u>
<u>Mt. Vernon Water Works</u>	<u>7,074,000</u>
<u>Livingston Water Works</u>	<u>2,812,200</u>

4. Total gallons sold for the 12-month period: 20,181,500

5. Increased water cost: \$ 6,138.21

The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor: \$0.11 per 1000 gallons

See attached worksheet for PWA calculations (Exhibit B.).

Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date: September 1, 2007

See attached tariff revision (Exhibit C.).

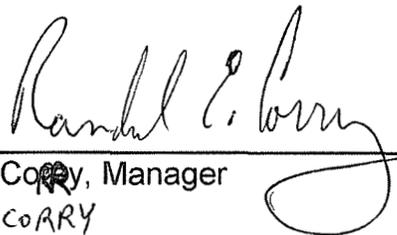

 Randy Carry, Manager
 CoRRY

EXHIBIT B

NOTICE

Jackson County Water Association has filed an application with the Public Service Commission to increase its rates for water service, within 30 days from filing its application as follows:

	Current Rates	Proposed Rates
First 2,000	\$14.48	\$16.50
Next 18,000	5.96	6.68
Next 30,000	5.07	5.75
Over 50,000	4.17	4.75
Bulk Sales	2.00	2.25
Rockcastle Water Assn.	2.18	2.77
City of Beattyville	1.98	2.68
City of McKee	1.78	2.52

Minimum	Current	Proposed	Increase	Percentage
5/8	14.48	16.50	2.02	13.9
1 Inch	32.37	36.54	4.14	12.8
1 ½	62.60	69.94	7.34	11.7
2	121.85	136.74	14.89	12.2
3	172.54	194.24	21.70	12.5
4	223.23	251.74	28.51	12.7

Based on the rates proposed by Jackson County, customers connected to a 5/8 inch meter using 5,000 gallons will pay \$36.54 an increase of \$4.17 or 12.8

The rates contained in this notice are the rates proposed by Jackson County Water Association. However, the Public Service Commission may order rates to be charged that are different than the rates proposed in this notice.

Any corporation, association, body politic or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed change is given. A motion to intervene shall be made in writing and submitted to the Executive Director, Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the Association's in office at P.O. Box 232, Tyner, Kentucky 40486 or by contacting the Association at 606-287-7000. Upon request from an intervenor, the Association shall furnish to the intervenor a copy of the application and supporting documents.

PURCHASE WATER ADJUSTMENT WORKSHEET

Month/Year	Purchased Water (gallons)			Water Sold (gallons)
	J.C.W.A.	Mt. Vernon	Livingston	
Jul 2006	1,070,000	640,000	98,600	1,869,800
Aug 2006	1,064,000	821,000	137,400	1,822,900
Sep 2006	912,000	562,000	142,000	1,720,200
Oct 2006	1,087,000	508,000	792,000	1,710,100
Nov 2006	906,000	571,000	100,000	1,584,900
Dec 2006	972,000	584,000	107,100	1,692,800
Jan 2007	1,196,000	551,000	878,000	1,593,500
Feb 2007	1,066,000	541,000	101,800	1,580,500
Mar 2007	1,039,000	502,000	99,700	1,426,900
Apr 2007	1,051,000	549,000	103,800	1,571,900
May 2007	1,216,000	501,000	121,400	1,668,400
Jun 2007	1,210,000	744,000	130,400	1,939,600
Totals	12,789,000	7,074,000	2,812,200	20,181,500

Twelve Month Purchased Water Cost

Gallons Purchased	Current Rate	Cost	New Rate	Cost
12,789,000	\$ 2.18	\$ 27,880.02	\$ 2.66	\$ 34,018.74
7,074,000	\$ 2.16	\$ 15,279.84	\$ 2.16	\$ 15,280
2,812,200	\$ 2.55	\$ 7,171.11	\$ 2.55	\$ 7,171
22,675,200		\$ 50,330.97		\$ 56,469

Increase	\$ 6,138.21
Factor	\$0.11

WATER RATE ADJUSTMENT

Rate Schedule	Current Rate	Increase	New Rate
First	2,000 Gallons \$ 21.40	\$ 0.22	\$ 21.62
Over	2,000 Gallons \$ 8.50	\$ 0.11	\$ 8.61

EXHIBIT C

FOR: ROCCASTLE COUNTY
P.S.C KY.NO. _____
REVISED SHEET NO. _____
CANCELLING P.S.C. KY. NO. _____
Original SHEET NO. _____

Eastern Rockcastle Water Association
(Name of Utility)

RATES

First 2,000 gallons	\$ 21.62 Minimum Bill
Over 2,000 gallons	\$ 8.61 per 1000 gallons

Date Of Issue: August 27, 2007
Month/Day/Year
Date Effective: September 1, 2007
Issued By: _____
Signature of Officer)
Title: Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED: _____

NOTICE

Due to a rate increase from Jackson County Water Association the Eastern Rockcastle Water Association has filed an application with the Public Service Commission to implement the following rate schedule. The proposed change will affect all bills issued on and after September 1, 2007.

Rates: Monthly	Current Rates	Revised Rates
First 2000 gallons	\$ 21.40 (Minimum Bill)	\$ 21.62 (Minimum Bill)
Over 2,000 gallons	\$ 8.50 per 1000 gallons	\$ 8.61 per 1000 gallons

The bill for an average customer using 5,000 gallons each month would increase from \$46.90 to \$47.45, a monthly increase of \$0.55. The rates contained in this notice are the rates proposed by the Eastern Rockcastle Water Association. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice. Eastern Rockcastle Water Association has available for inspection at its office the application submitted to the Public Service Commission. You may contact the office at (606) 256-5480.

EXHIBIT D